REMARKS

Claims 1-12 remain in the application. No claim has been allowed.

The claims were rejected under 35 U.S.C. § 102(e) as being anticipated by Teal, U.S. Patent Application Publication No. US2003/0120935.

The present application is concerned with applying encryption policies to the use of digital assets. In particular, the claimed invention uses an agent process that senses atomic level events (such as a file open, file save, etc. typically occurring at an application level) and then asserting an encryption policy if it is determined that a predefined digital asset usage risk has occurred. For example, a predefined digital asset usage risk may include a user's attempt to send a Word document via an instant messaging program.

Teal is concerned, on the other hand, with a method for installing a computer code set into the operating system kernel of each computer in a network. That computer code set is capable of detecting and stopping unwanted or malicious intrusions into itself.

For example, while Teal does show a security system that modifies the kernel space of an Operating System (OS), Teal is not using a client agent process to detect anything. As defined in the Computer Dictionary, Third Edition (Microsoft Press, Redmond, Washington 1997) an agent is a program that performs a background task for a user and reports to that user when the task is done or some expected event has taken place. A client process thus does not encompass the notion of an operating system kernel modifying itself.

Teal is also concerned with detecting when attempts are made to modify operating system code. This is not the same thing as the Applicants claimed monitoring of digital assets. With reference to Applicants disclosure, "digital assets" are defined as being application level data such as documents and the like.

Most importantly, while Teal does monitor operating system calls, that is not the same thing as the Applicants' claimed monitoring of atomic level events that occur at an application level. Significantly, Teal has no notion of asserting an encryption policy against the use of digital assets at all. Teal does mention the IPSec and Secure Socket layer (SSL) protocols. However, Teal's mention of encryption is solely in connection with the general discussion of

authenticating network communications. There is no discussion of encrypting files or other digital assets. There is certainly no suggestion in Teal that an encryption policy against the use of digital assets should be enforced based upon the observation of one or more atomic level events, and certainly not in the aggregation of multiple events, as claimed.

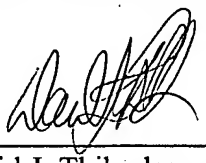
We believe therefore that there are multiple differences between Teal and the Applicants' invention as presently claimed. Since a rejection under 35 U.S.C. § 102(e) requires that the prior art identically disclose the claimed invention, we believe the rejection should be withdrawn.

CONCLUSION

In view of the above amendments and remarks, it is believed that all claims are in condition for allowance, and it is respectfully requested that the application be passed to issue. If the Examiner feels that a telephone conference would expedite prosecution of this case, the Examiner is invited to call the undersigned.

Respectfully submitted,

HAMILTON, BROOK, SMITH & REYNOLDS, P.C.

By 

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Dated: 10/25/05